BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION

VAL-PAK DIRECT MARKETING SYSTEMS, FINC, THE SECRETARY VAL-PAK DEALERS' ASSOCIATION, INC., AND CAROL WRIGHT PROMOTIONS, INC.

FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO POSTAL SERVICE WITNESS SHARON DANIEL (VP-CW/USPS-T29-1-2) (August 21, 1997)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Val-Pak Direct Marketing Systems, Inc., Val-Pak Dealers' Association, Inc., and Carol Wright Promotions, Inc., d/b/a "Cox Direct," hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted.

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served by hand delivery or mail the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.

August 21, 1997

VP-CW/USPS-T-29-1.

Please refer to USPS-29D, p. 1, columns 4 and 5.

- a. Please provide a complete and exact citation for the source of the data in column 4.
- b. Please confirm that column 5 shows Test Year Total Cost <u>Before</u> Rates. If you do not confirm, please explain what the data in column 5 represent.
- c. Please provide Test Year Volume and Total Cost After Rates for each of the rows shown in USPS-29D.

VP-CW/USPS-T29-2.

Please refer to USPS-29C, p. 3, including footnote 2, which states that "ECR Mail Processing costs reflect current level of dropshipping."

- a. Please confirm that the unit costs shown in this exhibit are for Test Year. If you do not confirm, please explain what they represent.
- b. For the Test Year, what are the unit mail processing costs for ECR letters and nonletters that are:
 - (i) dropshipped to DDUs (i.e., 100 percent dropshipped to DDUs);
 - (ii) dropshipped to DSCFs (i.e., 100 percent dropshipped to DSCFs);
 - (iii) dropshipped to DBMCs (i.e., 100 percent dropshipped to DBMCs); and
 - (iv) Not dropshipped to any destinating facility.
- c. Please explain what "other costs" include (as opposed to what they exclude), including whether such other costs include the cost of Postal-Owned Vehicles attributed to Standard A mail (see LR-H-111, Appendix B, Table 6).